

SENATE BILL 3546

By Finney L

AN ACT to amend Tennessee Code Annotated, Title 45  
and Title 47, relative to consumer protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 45, Chapter 1, Part 1, is amended by adding the following language as a new, appropriately designated section:

(a). If a financial institution regulated by the department of financial institutions cashes a fraudulent check or bank draft for any person, when the check or bank draft is returned to the presenting bank, the presenting bank shall not be authorized to recover the money from such person, notwithstanding any other law to the contrary.

(b). "Fraudulent check or bank draft" means a negotiable instrument that is drawn against a fictional financial institution or if drawn against a valid financial institution is drawn against a non-existent account in such financial institution.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.